

# FISCAL NOTE

**Bill #:** HB0373

**Title:** Montana code review commission

**Primary Sponsor:** Harris, C

**Status:** As Introduced

Sponsor signature	Date	David Ewer, Budget Director	Date
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## Fiscal Summary

	<b><u>FY 2006 Difference</u></b>	<b><u>FY 2007 Difference</u></b>
<b>Expenditures:</b>		
General Fund	\$171,386	\$0
<b>Revenue:</b>		
General Fund	\$0	\$0
<b>Net Impact on General Fund Balance:</b>	(\$171,386)	\$0

- |   |  |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact    | <input checked="" type="checkbox"/> Technical Concerns           |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           |
| <input type="checkbox"/> Dedicated Revenue Form Attached  | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

## Fiscal Analysis

### ASSUMPTIONS:

1. HB 373, Section 1, requires each executive branch of state government to review that entity's statutes and identify statutes that are obsolete, redundant, contradictory, confusing, or unconstitutional. Each entity shall prepare and submit a report by February 1, 2006 explaining why identified statutes are obsolete, redundant, contradictory, confusing, or unconstitutional.
2. The bill directs the executive branch agencies, therefore there is no fiscal impact to the Judiciary Branch.
3. Current staff could assume the increased workload, therefore there would be no significant fiscal impact to the following agencies: Commissioner of Higher Education, Governor's Office, State Auditor's Office, Office of Public Instruction, Secretary of State, Public Service Commission, State Library, Department of Fish, Wildlife and Parks, Department of Transportation, Department of Environmental Quality, Department of Administration, Appellate Defender, PERS, TRS, Consensus Council, Department of Corrections, Department of military Affairs, Department of Labor and Industry, or the Department of Public Health and Human Services.

### **Legislative Branch**

4. The commission must complete its work between June 1, 2005, and December 31, 2006.
5. House and Senate appointments to the commission are legislators who do not reside in Helena.
6. The commission will hold four one-day meetings, and two two-day meetings in Helena.

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7. Legislative members of the commission are entitled to compensation of \$76.80 per day + benefits and expenses, at a cost of \$7,918, as defined in section 5-2-302, MCA.
8. The Legislative Services Division (LSD) will provide support, within existing resources, if the commission meets during fiscal year 2005.
9. The LSD will contract for secretarial support, at a cost of \$1,216 to provide a written record of the activities of the commission.
10. The LSD will contract for two attorneys, at a cost of \$72,000 each, for a period of 18 months.
11. The LSD will provide the contract attorneys with workspace, telephones, and supplies at a cost of \$1,504 over 18 months.
12. The LSD will provide the contract attorneys with computer network connections, at a cost of \$2,614 over 18 months, and access to the Montana Code Annotated and Legislative Automated Workflow System (LAWS) databases.
13. Per HB 373 section 1, the Legislative Audit Division shall file a report with the Montana code reform commission by February 1, 2006 for those statutes identified during the auditing process. The division will incur no fiscal impact from the additional reporting requirement.
14. The commission will issue a report to the 60<sup>th</sup> Legislature at a cost of \$780.
15. A biennial appropriation will need to be included in HB 2 in the Legislative Services Division's Interim Committees and Activities Program.

### **Secretary of State (SOS)**

16. Section 3 requires the Secretary of State's office to notify each Daily and Weekly newspaper of the work of the Commission prior to July 1, 2005. There are 11 Daily newspapers and 72 Weekly newspapers in Montana. For \$30 the Montana Newspaper Association will forward a one-page letter to each newspaper. The Secretary of State's Office will draft a one-page letter informing the newspapers and inviting the public to contact the Code Commission and will distribute the letter via the Montana Newspaper Association.

### **Commissioner of Political Practices (COPP)**

17. HB 373 would require approximately 20 hours of paralegal staff time (\$44.00 per hour Agency Legal Services) to identify statutes that are obsolete, redundant, contradictory, confusing, or unconstitutional and to prepare the required report (20 x \$44 = \$880).

### **Department of Justice (DOJ)**

18. The Department of Justice, Legal Services Division (LSD), administers large sections of Montana Code, including all laws relating to motor vehicles and criminal justice information.
19. The department also works extensively with the criminal law and procedure codes.
20. The LSD would need to contract with the Agency Legal Services Bureau (ALS), which bills at \$71.80/hr, to prepare the report. It is estimated the research and preparation of the report required by HB 373 would involve approximately 110 attorney hours at a cost of \$7,898 to the general fund.

### **Board of Public Education**

21. HB 373 would require approximately 30 hours of paralegal staff time (\$44.00 per hour Agency Legal Services) to identify statutes that are obsolete, redundant, contradictory, confusing, or unconstitutional and to prepare the required report (30 x \$44 = \$1,320).

### **Montana School for the Deaf & Blind**

22. HB 373 would require approximately 34 hours of paralegal staff time (\$44.00 per hour Agency Legal Services) to identify statutes that are obsolete, redundant, contradictory, confusing, or unconstitutional and to prepare the required report (34 x \$44 = \$1,496).

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**Montana Historical Society**

23. HB 373 would require approximately 34 hours of paralegal staff time (\$44.00 per hour Agency Legal Services) to identify statutes that are obsolete, redundant, contradictory, confusing, or unconstitutional and to prepare the required report (40 x \$44 = \$1,760).

**FISCAL IMPACT:**

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
<b>Legislative Branch</b>		
<u>Expenditures:</u>		
Personal Services	3,072	0
Operating Expenses	<u>154,960</u>	<u>0</u>
TOTAL	\$158,032	\$0

**Funding of Expenditures:**

General Fund (01)	\$158,032	\$0
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**Commissioner of Political Practices (COPP)****Expenditures:**

Operating Expenses	\$880	\$0
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**Funding of Expenditures:**

General Fund (01)	\$880	\$0
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**Department of Justice (DOJ)****Expenditures:**

Operating Expenses	\$7,898	\$0
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**Funding of Expenditures:**

General Fund (01)	\$7,898	\$0
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**Board of Public Education****Expenditures:**

Operating Expenses	\$1,320	\$0
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**Funding of Expenditures:**

General Fund (01)	\$1,320	\$0
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**Montana School for the Deaf & Blind****Expenditures:**

Operating Expenses	\$1,496	\$0
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**Funding of Expenditures:**

General Fund (01)	\$1,496	\$0
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**Montana Historical Society****Expenditures:**

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Operating Expenses	\$1,760	\$0
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Funding of Expenditures:

General Fund (01)	\$1,760	\$0
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**TOTAL**

Expenditures:

Personal Services	3,072	0
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Operating Expenses	<u>168,314</u>	<u>0</u>
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TOTAL	\$171,386	\$0
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Funding of Expenditures:

General Fund (01)	\$171,386	\$0
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Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	(\$171,386)	\$0
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TECHNICAL NOTES:

1. HB 373 directs the executive branch agencies to identify and report statutes that are unconstitutional. The Montana Supreme Court has ruled on multiple occasions that executive branch agencies must presume all statutes are constitutional unless declared unconstitutional by a court of final jurisdiction.